



State Capitol | Lansing, Michigan 48913

PH (517) 373.2413 | FAX (517) 373.5144

www.senate.michigan.gov/gop/senator/allen/

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Contact: Jamie Callahan

1-866-525-5637

Governor's questionable MiPC Program: 'Made in China, not Michigan'

LANSING – Concerns were raised at Tuesday's Senate Committee on Commerce and Labor meeting about the state's endorsement of computers not made in the United States and the legality of the governor's proposed MiPC program, said Sen. Jason Allen, R-Traverse City.

Lawmakers are also concerned the program is nothing more than an endorsement deal for certain companies to encourage consumers to buy a name-brand PC with no actual pricing assurances.

"I would really like to know why this program was designed to discourage Michigan PC manufacturers from participating," Allen said. "Shouldn't we be buying computers made in Michigan? What kind of a signal are we sending when we endorse a company that not only isn't located in Michigan, but has its product manufactured outside of the United States?"

The Michigan Department of Information Technology and Department of Management and Budget have reviewed bids from Dell, Lenovo (formerly IBM) and Comp USA to provide packages through the MiPC program. Both Lenovo and Dell manufacture overseas, while Comp USA is owned by a Mexican holding company.

"Jobs come before computers," Allen said. "Right now the governor's goal should be the same as ours – making sure every Michigan worker has a job. If anything this program hurts Michigan jobs by endorsing computers produced in other countries over those assembled in our state."

MiPC was originally billed as a program to "make computers more affordable for Michigan residents." During committee testimony the administration's explanation of the program presented an entirely different objective with no pricing guarantees included.

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The administration also claims the program will help drive down costs of computers and allow more residents to be able to buy computer packages. To date there is no proof that the program will negotiate price for consumers.

“From what we heard in committee the program no longer provides low-cost computers, but provides endorsements to nationally known computer companies,” Allen said. “I also have concerns about the legality of the program.”

Based on the statute and order creating the MDIT and the DMB neither agency has the authority to issue an Invitation to Bid or expend state resources to create and operate the program.

According to the Granholm administration, the MiPC program is a “backed state government program, not a government funded program” – meaning no taxpayer dollars are used to fund the effort. Yet, state employees developed the MiPC concept, the ITB, reviewed the bids and will administer the program.

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